

STATE OF CALIFORNIA  
DEPARTMENT OF MANAGED HEALTH CARE  
HEALTH CARE SERVICE PLAN

1

**QUARTERLY FINANCIAL REPORTING FORM**

Submitted on 12/18/2003 4:29:41 PM

		1
1.	FOR THE QUARTER ENDING:	September 30, 2003
2.	Name:	<b>CIGNA Dental Health of California, Inc.</b>
3.	File Number:(Enter last three digits)                      933-0	<b>258</b>
4.	Date Incorporated or Organized:	October 22, 1985
5.	Date Licensed as a HCSP:	March 11, 1986
6.	Date Federally Qualified as a HCSP:	
7.	Date Commenced Operation:	
8.	Mailing Address:	400 N. Brand Blvd., Suite 400 Glendale, CA 91203
9.	Address of Main Administrative Office:	400 N. Brand Blvd., Suite 400 Glendale, CA 91203
10.	Telephone Number:	818-546-5000
11.	HCSP's ID Number:	59-2600475
12.	Principal Location of Books and Records:	400 N. Brand Blvd., Suite 400 Glendale, CA 91203
13.	Plan Contact Person and Phone Number:	Nancy Parmelee Pe Quilino                      818-546-5073
14.	Financial Reporting Contact Person and Phone Number:	Nancy Parmelee Pe Quilino                      818-546-5073
15.	President:*	Allen Lee West #
16.	Secretary:*	Gail Murphy Garcia
17.	Chief Financial Officer:*	Nancy Parmelee Pe Quilino
18.	Other Officers:*	Benjamin Keith Haynes
19.		
20.		
21.		
22.	Directors:*	Samuel Lee Westover
23.		Gail Murphy Garcia
24.		Michelle Iris Haas
25.		Robert Henry Gilbert, DDS
26.		Allen Lee West #
27.		
28.		
29.		
30.		
31.		

The officers listed on lines 15 through 17 of the health care service plan noted on line 2, being duly sworn, each for himself or herself, deposes and says that they are the officers of the said health care service plan, and that, for the reporting period stated above, all of the herein assets were the absolute property of the said health care service plan, free and clear from any liens or claims thereon, except as herein stated, and that these financial statements, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said health care service plan as of the reporting period stated above, and of its income and deductions therefrom for the period reported, according to the best of their information, knowledge and belief, respectively.

32. President	Allen Lee West #
33. Secretary	Gail Murphy Garcia
34. Chief Financial Officer	Nancy Parmelee Pe Quilino
* Show full name (initials not accepted) and indicate by sign (#) those officers and directors who did not occupy the indicated position in the previous statement.	
35. Check if this is a revised filing, and complete question 7 on page 2:	<input checked="" type="checkbox"/>
36. If all dollar amounts are reported in thousands (000), check here:	<input type="checkbox"/>

Check My Work

**STATE OF CALIFORNIA  
DEPARTMENT OF MANAGED HEALTH CARE  
HEALTH CARE SERVICE PLAN**

## QUARTERLY FINANCIAL REPORTING FORM

### SUPPLEMENTAL INFORMATION

	1
1. Are footnote disclosures attached with this filing?	Yes <input type="button" value="▼"/>
2. Is the attached reporting form filed on a consolidated or combined basis? If "Yes", the plan is required to file consolidating or combining schedules.	No <input type="button" value="▼"/>
3. Is the plan required to file additional information (i.e. parent/affiliate financial statements, claims reports, etc.) that is required by the Department?	No <input type="button" value="▼"/>
4. Have the Restricted Assets changed from the previous quarterly filing? If "yes", complete Schedule A-2 (Restricted Assets).	No <input type="button" value="▼"/>
5. Are there any significant changes reported on Schedule G, Section III?	No <input type="button" value="▼"/>
6. If "yes", describe:	
	Required TNE amount on page 20 line 21 was left out & Schedule I.
7. If this is a revised reporting form, what is/are the reason(s) for the revision?	

## STATEMENT AS OF 9-30-2003 OF 933-0258 CIGNA Dental Health of California, Inc.

## REPORT #1 ---- PART A: ASSETS

1	2
<b>CURRENT ASSETS:</b>	Current Period
1. Cash and Cash Equivalents	10,537,770
2. Short-Term Investments	
3. Premiums Receivable - Net	603,224
4. Interest Receivable	
5. Shared Risk Receivables - Net	
6. Other Health Care Receivables - Net	
7. Prepaid Expenses	
8. Secured Affiliate Receivables - Current	
9. Unsecured Affiliate Receivables - Current	2,312,768
10. Aggregate Write-Ins for Current Assets	632,110
11. TOTAL CURRENT ASSETS (Items 1 to 10)	14,085,872
<b>OTHER ASSETS:</b>	
12. Restricted Assets	62,057
13. Long-Term Investments	
14. Intangible Assets and Goodwill - Net	
15. Secured Affiliate Receivables - Long-Term	
16. Unsecured Affiliate Receivables - Past Due	
17. Aggregate Write-Ins for Other Assets	0
18. TOTAL OTHER ASSETS (Items 12 to 17)	62,057
<b>PROPERTY AND EQUIPMENT</b>	
19. Land, Building and Improvements	
20. Furniture and Equipment - Net	58,859
21. Computer Equipment - Net	262
22. Leasehold Improvements -Net	
23. Construction in Progress	
24. Software Development Costs	
25. Aggregate Write-Ins for Other Equipment	0
26. TOTAL PROPERTY AND EQUIPMENT (Items 19 to 25)	59,121
27. TOTAL ASSETS	14,207,050
<b>DETAILS OF WRITE-INS AGGREGATED AT ITEM 10 FOR CURRENT ASSETS</b>	
1001. Deferred Income Taxes	523,900
1002. Federal Income Tax	108,210
1003.	
1004.	
1098. Summary of remaining write-ins for Item 10 from overflow page	
1099. TOTALS (Items 1001 thru 1004 plus 1098)	632,110
<b>DETAILS OF WRITE-INS AGGREGATED AT ITEM 17 FOR OTHER ASSETS</b>	
1701.	
1702.	
1703.	
1704.	
1798. Summary of remaining write-ins for Item 17 from overflow page	
1799. TOTALS (Items 1701 thru 1704 plus 1798)	0
<b>DETAILS OF WRITE-INS AGGREGATED AT ITEM 25 FOR OTHER EQUIPMENT</b>	
2501.	
2502.	
2503.	
2504.	
2598. Summary of remaining write-ins for Item 25 from overflow page	
2599. TOTALS (Items 2501 thru 2504 plus 2598)	0

## STATEMENT AS OF 9-30-2003 OF 933-0258 CIGNA Dental Health of California, Inc.

## REPORT #1 ---- PART B: LIABILITIES AND NET WORTH

1	2	3	4
<b>CURRENT LIABILITIES:</b>	Current Period		
	Contracting	Non-Contracting	Total
1. Trade Accounts Payable	9,650	XXX	9,650
2. Capitation Payable		XXX	0
3. Claims Payable (Reported)	268,847		268,847
4. Incurred But Not Reported Claims	1,210,863	79,428	1,290,291
5. POS Claims Payable (Reported)			0
6. POS Incurred But Not Reported Claims			0
7. Other Medical Liability			0
8. Unearned Premiums	90,332	XXX	90,332
9. Loans and Notes Payable		XXX	0
10. Amounts Due To Affiliates - Current	1,825,069	XXX	1,825,069
11. Aggregate Write-Ins for Current Liabilities	2,172,788	0	2,172,788
12. TOTAL CURRENT LIABILITIES (Items 1 to 11)	5,577,549	79,428	5,656,977
<b>OTHER LIABILITIES:</b>			
13. Loans and Notes Payable (Not Subordinated)		XXX	0
14. Loans and Notes Payable (Subordinated)		XXX	0
15. Accrued Subordinated Interest Payable		XXX	0
16. Amounts Due To Affiliates - Long Term		XXX	0
17. Aggregate Write-Ins for Other Liabilities	0	XXX	0
18. TOTAL OTHER LIABILITIES (Items 13 to 17)	0	XXX	0
19. TOTAL LIABILITIES	5,577,549	79,428	5,656,977
<b>NET WORTH</b>			
20. Common Stock	XXX	XXX	1,000
21. Preferred Stock	XXX	XXX	
22. Paid In Surplus	XXX	XXX	2,130,509
23. Contributed Capital	XXX	XXX	
24. Retained Earnings (Deficit)/Fund Balance	XXX	XXX	6,418,564
25. Aggregate Write-Ins for Other Net Worth Items	XXX	XXX	0
26. TOTAL NET WORTH (Items 20 to 25)	XXX	XXX	8,550,073
27. TOTAL LIABILITIES AND NET WORTH	XXX	XXX	14,207,050
<b>DETAILS OF WRITE-INS AGGREGATED AT ITEM 11 FOR CURRENT LIABILITIES</b>			
1101. Accrued Expenses Other	507,890		507,890
1102. State Income Tax Payable	1,539,314		1,539,314
1103. Claims Processing Reserve	31,194		31,194
1104. Commissions Payable	94,390		94,390
1198. Summary of remaining write-ins for Item 11 from overflow page			0
1199. TOTALS (Items 1101 thru 1104 plus 1198)	2,172,788	0	2,172,788
<b>DETAILS OF WRITE-INS AGGREGATED AT ITEM 17 FOR OTHER LIABILITIES</b>			
1701.		XXX	0
1702.		XXX	0
1703.		XXX	0
1704.		XXX	0
1798. Summary of remaining write-ins for Item 17 from overflow page		XXX	0
1799. TOTALS (Items 1701 thru 1704 plus 1798)	0	XXX	0
<b>DETAILS OF WRITE-INS AGGREGATED AT ITEM 25 FOR OTHER NET WORTH ITEMS</b>			
2501.	XXX	XXX	
2502.	XXX	XXX	
2503.	XXX	XXX	
2504.	XXX	XXX	
2598. Summary of remaining write-ins for Item 25 from overflow page	XXX	XXX	
2599. TOTALS (Items 2501 thru 2504 plus 2598)	XXX	XXX	0

## STATEMENT AS OF 9-30-2003 OF 933-0258 CIGNA Dental Health of California, Inc.

## REPORT #2: REVENUE, EXPENSES AND NET WORTH

	1	2
	Current Period	Year-To-Date
<b>REVENUES:</b>		
1. Premiums (Commercial)	14,743,451	44,792,698
2. Capitation		
3. Co-payments, COB, Subrogation		
4. Title XVIII - Medicare		
5. Title XIX - Medicaid		
6. Fee-For-Service		
7. Point-Of-Service (POS)		
8. Interest	24,724	75,744
9. Risk Pool Revenue		
10. Aggregate Write-Ins for Other Revenues	0	0
11. TOTAL REVENUE (Items 1 to 10)	14,768,175	44,868,442
<b>EXPENSES:</b>		
<b>Medical and Hospital</b>		
12. Inpatient Services - Capitated		
13. Inpatient Services - Per Diem		
14. Inpatient Services - Fee-For-Service/Case Rate		
15. Primary Professional Services - Capitated	4,879,435	14,759,556
16. Primary Professional Services - Non-Capitated	2,119,850	5,870,640
17. Other Medical Professional Services - Capitated		
18. Other Medical Professional Services - Non-Capitated		
19. Non-Contracted Emergency Room and Out-of-Area Expense, not including POS		
20. POS Out-Of-Network Expense		
21. Pharmacy Expense - Capitated		
22. Pharmacy Expense - Fee-for-Service		
23. Aggregate Write-Ins for Other Medical and Hospital Expenses	203,509	843,179
24. TOTAL MEDICAL AND HOSPITAL (Items 12 to 23)	7,202,794	21,473,375
<b>Administration</b>		
25. Compensation	811,922	2,459,726
26. Interest Expense		
27. Occupancy, Depreciation and Amortization	154,299	475,699
28. Management Fees		
29. Marketing	346,346	1,069,884
30. Affiliate Administration Services	190,246	688,147
31. Aggregate Write-Ins for Other Administration	200,552	664,037
32. TOTAL ADMINISTRATION (Items 25 to 31)	1,703,365	5,357,493
33. TOTAL EXPENSES	8,906,159	26,830,868
34. INCOME (LOSS)	5,862,016	18,037,574
35. Extraordinary Item		
36. Provision for Taxes	2,166,459	6,611,539
37. NET INCOME (LOSS)	3,695,557	11,426,035
<b>NET WORTH:</b>		
38. Net Worth Beginning of Period	10,354,516	9,124,038
39. Audit Adjustments		
40. Increase (Decrease) in Common Stock		
41. Increase (Decrease) in Preferred Stock		
42. Increase (Decrease) in Paid in Surplus		
43. Increase (Decrease) in Contributed Capital		
44. Increase (Decrease) in Retained Earnings:		
45. Net Income (Loss)	3,695,557	11,426,035
46. Dividends to Stockholders	-5,500,000	-12,000,000
47. Aggregate Write-Ins for Changes in Retained Earnings	0	0
48. Aggregate Write-Ins for Changes in Other Net Worth Items	0	0
49. NET WORTH END OF PERIOD (Items 38 to 48)	8,550,073	8,550,073

## STATEMENT AS OF 9-30-2003 OF 933-0258 CIGNA Dental Health of California, Inc.

## REPORT #2: REVENUE, EXPENSES AND NET WORTH

1	2	3
	Current Period	Year-to-Date
<b>DETAILS OF WRITE-INS AGGREGATED AT ITEM 10 FOR OTHER REVENUES</b>		
1001.		
1002.		
1003.		
1004.		
1005.		
1006.		
1098. Summary of remaining write-ins for Item 10 from overflow page		
1099. TOTALS (Items 1001 thru 1006 plus 1098)	0	0
<b>DETAILS OF WRITE-INS AGGREGATED AT ITEM 23 FOR OTHER MEDICAL AND HOSPITAL EXPENSES</b>		
2301. Other Medical Expense	203,509	843,179
2302.		
2303.		
2304.		
2305.		
2306.		
2398. Summary of remaining write-ins for Item 23 from overflow page		
2399. TOTALS (Items 2301 thru 2306 plus 2398)	203,509	843,179
<b>DETAILS OF WRITE-INS AGGREGATED AT ITEM 31 FOR OTHER ADMINISTRATIVE EXPENSES</b>		
3101. License & Taxes	242	1,193
3102. Legal & Professional	1,194	3,796
3103. Office Expense	14,752	62,868
3104. Other Expense	77,321	225,932
3105. Postage	1,053	9,927
3106. Printing	442	1,065
3198. Summary of remaining write-ins for Item 31 from overflow page	105,548	359,256
3199. TOTALS (Items 3101 thru 3106 plus 3198)	200,552	664,037
<b>DETAILS OF WRITE-INS AGGREGATED AT ITEM 47 FOR CHANGES IN RETAINED EARNINGS</b>		
4701.		
4702.		
4703.		
4704.		
4705.		
4706.		
4798. Summary of remaining write-ins for Item 47 from overflow page		
4799. TOTALS (Items 4701 thru 4706 plus 4798)	0	0
<b>DETAILS OF WRITE-INS AGGREGATED AT ITEM 48 FOR CHANGES OF OTHER NET WORTH ITEMS</b>		
4801.		
4802.		
4803.		
4804.		
4805.		
4806.		
4898. Summary of remaining write-ins for Item 48 from overflow page		
4899. TOTALS (Items 4801 thru 4806 plus 4898)	0	0

**REPORT #3: STATEMENT OF CASH FLOWS**

1	2	3
	Current Period	Year-to-Date
<b>CASH FLOW PROVIDED BY OPERATING ACTIVITIES</b>		
1. Group/Individual Premiums/Capitation	14,896,375	45,646,076
2. Fee-For-Service		
3. Title XVIII - Medicare Premiums		
4. Title XIX - Medicaid Premiums		
5. Investment and Other Revenues	24,724	75,744
6. Co-Payments, COB and Subrogation		
7. Medical and Hospital Expenses	-7,118,927	-21,601,969
8. Administration Expenses	-1,536,172	-5,478,968
9. Federal Income Taxes Paid	-2,559,296	-6,667,316
10. Interest Paid		
11. NET CASH PROVIDED BY OPERATING ACTIVITIES	3,706,704	11,973,567
<b>CASH FLOW PROVIDED BY INVESTING ACTIVITIES</b>		
12. Proceeds from Restricted Cash and Other Assets		
13. Proceeds from Investments		
14. Proceeds for Sales of Property, Plant and Equipment		
15. Payments for Restricted Cash and Other Assets		
16. Payments for Investments		
17. Payments for Property, Plant and Equipment		
18. NET CASH PROVIDED BY INVESTING ACTIVITIES	0	0
<b>CASH FLOW PROVIDED BY FINANCING ACTIVITIES:</b>		
19. Proceeds from Paid in Capital or Issuance of Stock		
20. Loan Proceeds from Non-Affiliates		
21. Loan Proceeds from Affiliates		
22. Principal Payments on Loans from Non-Affiliates		
23. Principal Payments on Loans from Affiliates		
24. Dividends Paid	-5,500,000	-12,000,000
25. Aggregate Write-Ins for Cash Provided by Financing Activities	0	0
26. NET CASH PROVIDED BY FINANCING ACTIVITIES	-5,500,000	-12,000,000
27. NET INCREASE (DECREASE) IN CASH (Items 11, 18 & 26)	-1,793,296	-26,433
28. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE QUARTER	12,331,066	10,564,203
29. CASH AND CASH EQUIVALENTS AT THE END OF THE QUARTER	10,537,770	10,537,770
<b>RECONCILIATION OF NET INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>		
30. Net Income	3,695,557	11,426,035
<b>Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities</b>		
31. Depreciation and Amortization	4,470	13,818
32. Decrease (Increase) in Receivables	-4,805	624,209
33. Decrease (Increase) in Prepaid Expenses	0	0
34. Decrease (Increase) in Affiliate Receivables	56,614	777,150
35. Increase (Decrease) in Accounts Payable	465,142	-522,778
36. Increase (Decrease) in Claims Payable and Shared Risk Pool	83,866	-128,594
37. Increase (Decrease) in Unearned Premium	-201,303	-161,587
38. Aggregate Write-Ins for Adjustments to Net Income	-392,837	-54,684
39. TOTAL ADJUSTMENTS (Items 31 through 38)	11,147	547,534
40. NET CASH PROVIDED BY OPERATING ACTIVITIES (Item 30 adjusted by Item 39 must agree to Item 11)	3,706,704	11,973,569
<b>DETAILS OF WRITE-INS AGGREGATED AT ITEM 25 FOR CASH FLOW PROVIDED BY FINANCING ACTIVITIES</b>		
2501.		
2502.		
2503.		
2598. Summary of remaining write-ins for Item 25 from overflow page		
2599. TOTALS (Items 2501 thru 2503 plus 2598)	0	0
<b>DETAILS OF WRITE-INS AGGREGATED AT ITEM 38 FOR ADJUSTMENTS TO NET INCOME</b>		
3801. Decrease (Increase) In Taxes Payable	-388,119	-40,095
3802. Decrease (Increase) In Deferred Taxes	-4,718	-14,589
3803.		
3898. Summary of remaining write-ins for Item 38 from overflow page		
3899. TOTALS (Items 3801 thru 3803 plus 3898)	-392,837	-54,684

This page is no longer in use.

This page is no longer in use.

**REPORT #4: ENROLLMENT AND UTILIZATION TABLE****TOTAL ENROLLMENT**

1 Source of Enrollment	2 Total Enrollees At End of Previous Period	3 Additions During Period	4 Terminations During Period	5 Total Enrollees at End of Period	6 Cumulative Enrollee Months for Period	Total Member Ambulatory Encounters for Period			10 Total Patient Days Incurred	11 Annualized Hospital Days/1000	12 Average Length of Stay
						7 Physicians	8 Non-Physicians	9 Total			
1. Group (Commercial)	390,643	20,340	26,538	384,445	1,157,908			0		0	
2. Medicare Risk				0				0			
3. Medi-Cal Risk				0				0			
4. Individual	1,146	23	15	1,154	3,467			0		0	
5. Point of Service				0				0			
6. Aggregate write-ins for Other	0	0	0	0	0	0	0	0	0		
7. Total Membership	391,789	20,363	26,553	385,599	1,161,375	0	0	0	0	0	
DETAILS OF WRITE-INS AGGREGATED AT ITEM 6 FOR OTHER SOURCES OF ENROLLMENT											
601. Small Group				0				0			
602. Healthy Families				0				0			
603. AIM				0				0			
604. Medicare Cost				0				0			
605. ASO				0		N/A	N/A	N/A	N/A	N/A	N/A
606. PPO				0				0			
607.				0				0			
608.				0				0			
609.				0				0			
610.				0				0			
611.				0				0			
612.				0				0			
Summary of remaining write-ins for											
698. Item 6 from overflow page				0				0			
Totals (lines 601 through 612 plus											
699, 698) (Line 6 above)	0	0	0	0	0	0	0	0	0		

\*\*

**SCHEDULE A-1 (CASH)**

1	2	3
Name of Depository (List all accounts even if closed during the period)	Account Number	Balance*
1.		
2. Not Applicable To Quarterly Report		
3.		
4.		
5.		
6.		
7.		
8.		
9. Total Cash on Deposit		0
10. Cash on Hand (Petty Cash)		
11. Total Cash on Hand and on Deposit (Report #1, Part A, Line 1)		0

**SCHEDULE A-2 RESTRICTED ASSETS**

1	2	3
Name of Depository (List all accounts even if closed during the period)	Account Number	Balance*
12.		
13.		
14.		
15.		
16.		
17.		
18.		
19. Total Restricted Assets		0

\* Indicate the Balance Per the HMO's Records

\*\*

## STATEMENT AS OF 9-30-2003 OF 933-0258 CIGNA Dental Health of California, Inc.

**SCHEDULE C - PREMIUMS RECEIVABLE (Other than Affiliates)**

Individually list all debtors (commercial only) with account balances greater than 5% of gross Premiums Receivable. Group the total of all other premiums receivables and enter the total on the line titled, "Aggregate Accounts Not Individually Listed."

	1 Name of Debtor	2 1-30 Days	3 31-60 Days	4 61-90 Days	5 Over 90 Days	6 Total
1.						0
2.	Not Applicable To Quarterly Report					0
3.						0
4.						0
5.						0
6.						0
7.						0
8.						0
9.						0
10.						0
11.						0
12.						0
13.						0
14.						0
15.						0
16.						0
17.						0
18.						0
19.						0
20.						0
21.						0
22.						0
23.						0
24.						0
25.						0
26.						0
27.						0
28.						0
29.						0
30.						0
31.						0
32.						0
33.						0
34.						0
35.						0
36.						0
37.						0
38.						0
39.						0
40.						0
41.						0
42.						0
43.						0
44.						0
45.						0
46.						0
47.						0
48.						0
49.						0
50.						0
51.						0
52.						0
53.						0
54.	Aggregate Accounts Not Individually Listed					0
55.	Total	0	0	0	0	0

\*\*

## STATEMENT AS OF 9-30-2003 OF 933-0258 CIGNA Dental Health of California, Inc.

**SCHEDULE D**  
**HEALTH CARE RECEIVABLES &**  
**AMOUNTS DUE FROM PARENT, SUBSIDIARIES, AND AFFILIATES**

Individually list all debtors with account balances greater than 10% of gross Receivables. Group the total of all other receivables and enter the total on the line titled, "Aggregate Accounts Not Individually Listed."

	1 Name of Debtor	2 1-30 Days	3 31-60 Days	4 61-90 Days	5 Over 90 Days	6 Total
1.						0
2.	N/A					0
3.						0
4.						0
5.						0
6.						0
7.						0
8.						0
9.						0
10.						0
11.						0
12.						0
13.						0
14.						0
15.						0
16.						0
17.						0
18.						0
19.						0
20.						0
21.						0
22.						0
23.						0
24.						0
25.						0
26.						0
27.						0
28.						0
29.						0
30.						0
31.						0
32.						0
33.						0
34.						0
35.						0
36.						0
37.						0
38.						0
39.						0
40.						0
41.						0
42.						0
43.						0
44.						0
45.						0
46.						0
47.						0
48.						0
49.						0
50.						0
51.						0
52.						0
53.						0
54.	Aggregate Accounts Not Individually Listed					0
55.	Total	0	0	0	0	0

\*\*

## STATEMENT AS OF 9-30-2003 OF 933-0258 CIGNA Dental Health of California, Inc.

## SCHEDULE F - ACCOUNTS PAYABLE

Individually list all creditors with account balances greater than 5% of total trade accounts payable. Group the total of all other payables and enter the total on the line titled, "Aggregate Accounts Not Individually Listed - Due." Report accounts payable from the initial date of billing or due date under contract.

1	2	3	4	5	6	7
Name of Debtor	1-30 Days	31-60 Days	61-90 Days	91-120 Days	Over 120 Days	Total
1.						0
2.	Not Applicable To Quarterly Report					0
3.						0
4.						0
5.						0
6.						0
7.						0
8.						0
9.						0
10.						0
11.						0
12.						0
13.						0
14.						0
15.						0
16.						0
17.						0
18.						0
19.						0
20.						0
21.						0
22.						0
23.	Aggregate Accounts Not Individually Listed - Due					0
24.	Total	0	0	0	0	0

\*\*

**SCHEDULE G - UNPAID CLAIMS ANALYSIS**  
**SECTION I - CLAIMS UNPAID**

	1	2	3
Type of Claim	Reported Claims in Process of Adjustment	Estimated Incurred but Unreported	Total - Unpaid Claims (Columns 4+5 of Section II)
1. Inpatient Claims			0
2. Physician Claims	268,847	1,210,863	1,479,710
3. Referral Claims		79,428	79,428
4. Other Medical			0
5. TOTAL	268,847	1,290,291	1,559,138

**SECTION II - ANALYSIS OF CLAIMS UNPAID - PREVIOUS YEAR (FILE ANNUAL ONLY)**

1 Type of Claim	Claims Paid During the Fiscal Year		Unpaid Claims During the Fiscal Year		6 Total Claims (Paid and Unpaid) for the Previous Fiscal Year (2+4)	7 Estimated Liability of Unpaid Claims Prior to the first day of the Prior Year
	2 On Claims Incurred Prior to the first day of the Current Fiscal Year	3 On Claims Incurred During the Fiscal Year	4 On Claims Unpaid Prior to the first day of the Previous Fiscal Year	5 On Claims Incurred During the Year		
6. Inpatient Claims					0	
7. Physician Claims					0	
8. Referral Claims					0	
9. Other Medical					0	
10. TOTAL	0	0	0	0	0	0

**SECTION III - INVENTORY OF CLAIMS TO BE PROCESSED\***

1 Month Ending	2 Beginning Balance Number of Claims in inventory on the 1st of each month	3 Add - Claims Received during the month	4 Deduct - Claims paid during the month	5 Deduct - Claims denied during the month	6 Add/Deduct - Adjustments	7 Ending Balance Number of claims in inventory at the end of the month
11. September	402	13,157	9,751	2,548		1,260
13. August	505	12,594	10,220	2,477		402
14. July	1,531	13,057	11,438	2,645		505
15. June	1,837	12,924	10,778	2,452		1,531
16. May	368	12,539	8,731	2,339		1,837
17. April	967	12,358	10,696	2,261		368
18. March	442	12,747	9,794	2,428		967
19. February	365	12,598	9,712	2,809		442
20. January	590	14,294	9,978	4,541		365
21.						0
22.						0
23.						0

\* Describe any significant changes reported on Schedule G, Section III in the Supplemental Schedule (Page 2).

\*\*

**STATEMENT AS OF 9-30-2003 OF 933-0258 CIGNA Dental Health of California, Inc.**

**SCHEDULE H - AGING OF ALL CLAIMS**

Age all claims on hand at the end of each month. Use the date of receipt to determine the number of days the claims is outstanding. The amount reported in Column 6 should equal the amount Reported on Schedule G, Section III, Column 7.

	1	2	3	4	5	6
1.	Month Ending	1-30 Days	31-60 Days	61-90 Days	Over 90 Days	Total
2.	September	1,259	0	0	1	1,260
3.	August	400	0	0	2	402
4.	July	487	3	3	12	505
5.	June	1,531	0	0	0	1,531
6.	May	1,808	18	3	8	1,837
7.	April	332	21	4	11	368
8.	March	948	3	3	13	967
9.	February	415	4	4	19	442
10.	January	345	4	3	13	365
11.						0
12.						0
13.						0

\*\*

## STATEMENT AS OF 9-30-2003 OF 933-0258 CIGNA Dental Health of California, Inc.

**SCHEDULE I - ANALYSIS OF TOTAL MEDICAL LIABILITY TO ACTUAL CLAIMS PAID**

Using the Plan's Lag Tables, complete the following table. Provide claim information the current quarter and the previous seven quarters. An actuarial certification may be submitted in lieu of this schedule.

Reported Accrual				
1	2	3	4	5
Quarter Ending Date	Total Medical Liability*	Amount Paid-To-Date	Difference - Column (2-3)	Outstanding Liability (Based on plan's lag)
1. September 30, 2003	1,559,138	XXX	1,559,138	1,555,432
2. June 30, 2003	1,475,272	1,238,891	236,381	182,464
3. March 31, 2003	1,622,157	1,240,662	381,495	59,428
4. December 31, 2002	1,687,732	1,321,204	366,528	23,974
5. September 30, 2002	1,646,153	1,536,870	109,283	4,246
6. June 30, 2002	1,523,639	1,556,308	-32,669	0
7. March 31, 2002	1,688,845	1,528,191	160,654	0
8. December 31, 2001	1,640,776	1,322,603	318,173	0

\* Should tie to Report #1, Part B, Columns 1 & 2, Lines 3 through 7.

\*\*

1	
NOTES TO FINANCIAL STATEMENTS	
1.	
2.	
3.	
4.	
5.	
6.	
7.	
8.	
9.	
10.	
11.	
12.	
13.	
14.	
15.	
16.	
17.	
18.	
19.	
20.	
21.	
22.	
23.	
24.	
25.	
26.	
27.	
28.	
29.	
30.	
31.	
32.	
33.	
34.	
35.	
36.	
37.	
38.	
39.	
40.	
41.	
42.	
43.	
44.	
45.	
46.	
47.	
48.	
49.	
50.	
51.	
52.	
53.	
54.	
55.	
56.	
57.	
58.	
59.	

1	
OVERFLOW PAGE FOR WRITE-INS	
1.	
2.	
3.	
4.	
5.	
6.	
7.	
8.	
9.	
10.	
11.	
12.	
13.	
14.	
15.	
16.	
17.	
18.	
19.	
20.	
21.	
22.	
23.	
24.	
25.	
26.	
27.	
28.	
29.	
30.	
31.	
32.	
33.	
34.	
35.	
36.	
37.	
38.	
39.	
40.	
41.	
42.	
43.	
44.	
45.	
46.	
47.	
48.	
49.	
50.	
51.	
52.	
53.	
54.	
55.	
56.	
57.	
58.	
59.	

## STATEMENT AS OF 9-30-2003 OF 933-0258 CIGNA Dental Health of California, Inc.

**KNOX-KEENE**  
**SUPPLEMENTAL INFORMATION**  
**PURSUANT TO SECTIONS 1300.84.06, 1300.84.2 AND 1374.68**

	1	2	3	4	5
A.	<b>Explanation of the method of calculating the provision for incurred and unreported claims:</b>				
1.					
B.	<b>Accounts and Notes Receivable from officers, directors, owners or affiliates, as detailed below:</b>				
	<u>Name of Debtor</u>	<u>Nature of Relationship</u>	<u>Nature of Receivable</u>	<u>Amount</u>	<u>Terms</u>
2.	CIGNA Corporation	Parent	Premium	312,519	Settled 60 days
3.	CIGNA Dental Health Inc.	Parent	Lockbox	128,942	Settled 5 days
4.	CIGNA Dental Health Inc.	Parent	Various	1,298,038	Settled 30 days
5.	CIGNA HealthCare Inc.	Parent	Various	573,269	Settled 30 days
6.					
C.	<b>Donated materials or services received by the reporting entity for the period of the financial statements, as detailed below:</b>				
	<u>Donor's Name</u>	<u>Affiliation with Reporting Entity</u>	<u>Valuation Method</u>	<u>Amount</u>	
7.					
8.					
9.					
10.					
11.					
D.	<b>Forgiven debt or obligations, as detailed below:</b>				
	<u>Creditor's Name</u>	<u>Affiliation with Reporting Entity</u>	<u>Summary of How Obligation Arose</u>	<u>Amount</u>	
12.					
13.					
14.					
15.					
E.	<b>Calculation of Tangible Net Equity (TNE) and Required TNE in accordance with Section 1300.76 of the Rules:</b>				
16.	Net Equity			\$	8,550,073
17.	Add: Subordinated Debt			\$	
18.	Less: Receivables from officers, directors, and affiliates			\$	30,155
19.	Intangibles			\$	
20.	Tangible Net Equity (TNE)			\$	8,519,918
21.	Required Tangible Net Equity (See Page 22)			\$	810,581
22.	TNE Excess (Deficiency)			\$	7,709,337
F.	<b>Percentage of administrative costs to revenue obtained from subscribers and enrollees:</b>				
23.	Revenue from subscribers and enrollees			\$	44,792,698
24.	Administrative Costs			\$	5,357,493
25.	Percentage				12
26.	The amount of health care expenses incurred during the six month period immediately preceding the date of the report which were or will be paid to noncontracting providers or directly reimbursed to subscribers and enrollees:			\$	405,614
27.	Total costs for health care services for the immediately preceding six months:			\$	14,155,456
28.	Percentage				3

		1
<p>G. If the amount of health care expenses incurred during the six month period immediately preceding the date of the report which <u>were or will be</u> paid to noncontracting providers or directly reimbursed to subscribers and enrollees exceeds 10% of the total costs for health care services for the immediately preceding six months, the following information, determined as of the date of the reports, shall be provided:</p>		
29. Amount of all claims for noncontracting provider services received for reimbursement but not yet processed:	\$	
30. Amount of all claims for noncontracting provider services denied for reimbursement during the previous 45 days:	\$	
31. Amount of all claims for noncontracting provider services approved for reimbursement but not yet paid:	\$	
32. An estimate of the amount of claims for noncontracting provider services incurred, but not reported:	\$	
33. Compliance with Section 1377(a) as determined in accordance with such section, as follows:		
34. Cash & cash equivalents maintained	\$	
35. Noncontracting provider claims (aggregate of total of items 29 - 32 above)	\$	0
36. Cash & cash equivalents reported to be maintained (120% x Line 35)	\$	0
37. Deposit required (100% of Line 36)	\$	0
38. Excess (deficient) reserves (Line 34 - Line 37)	\$	0
Percentage of premium revenue earned from point-of-service plan contracts:		
39. Premium revenue earned from point-of-service plan contracts	\$	
40. Total premium revenue earned	\$	
41. Percentage		0
Percentage of total health care expenditures incurred for enrollees for out-of-network services for point-of-service enrollees:		
42. Health care expenditures for out-of-network services for point-of-service enrollees	\$	
43. Total health care expenditures	\$	
44. Percentage		0
45. Point-of-Service Enrollment at end of period		
Total Ambulatory encounters for period for point-of-service enrollees:		
46. Physician		
47. Non-Physician		
48. Total		0
49. Total Patient Days Incurred for Point-of-Service enrollees		
50. Annualized Hospital Days/1000 for Point-of-Service enrollees		
51. Average Length of Stay for Point of Service enrollees		
52. Compliance with Section 1374.68(a) as follows:		
53. Current Monthly Claims Payable for out-of-network coverage or services provided under Point-of-Service Contracts:	\$	
54. Current monthly incurred but not reported claims balance for out-of-network coverage or services provided under Point-of-Service contracts	\$	
55. Total	\$	0
56. Total times 120%	\$	0
57. Deposit (Greater of Line 56 or minimum of \$200,000)	\$	

**STATEMENT AS OF 9-30-2003 OF 933-0258 CIGNA Dental Health of California, Inc.**

**REQUIRED TANGIBLE NET EQUITY (TNE) CALCULATION:**

TNE required must be equal to the GREATER of "A" "B" or "C" below (See Rule 1300.76)

		Full Service Plans		Specialized Plans	
		1		2	
<b>A.</b>	Minimum TNE Requirement	\$ 1,000,000		\$ 50,000	
<b>B.</b>	REVENUES:				
1.	2% of the first \$150 million of annualized premium revenues	\$		2% of the first \$7.5 million of annualized premium revenue	\$ 150,000
	Plus			Plus	
2.	1% of annualized premium revenues in excess of \$150 million	\$		1% of annualized premium revenue in excess of \$7.5 million	\$ 522,236
3.	Total	\$ 0		Total	\$ 672,236
<b>C.</b>	HEALTHCARE EXPENDITURES:				
4.	8% of the first \$150 million of annualized health care expenditures, except those paid on a capitated or managed hospital basis.	\$		8% of the first \$7.5 million of annualized health care expenditures, except those paid on a capitated or managed hospital basis.	\$ 600,000
	Plus			Plus	
5.	4% of annualized health care expenditures in excess of \$150 million except those paid on a capitated or managed hospital payment basis.	\$		4% of annualized health care expenditures in excess of \$7.5 million except those paid on a capitated or managed hospital payment basis.	\$ 210,581
	Plus			Plus	
6.	4% of the annualized hospital expenditures paid on a managed hospital payment basis.	\$		4% of the annualized hospital expenditures paid on a managed hospital payment basis.	\$ 0
7.	Total	\$ 0		Total	\$ 810,581
8.	Required "TNE" - Greater of "A" "B" or "C"	\$		Required "TNE" - Greater of "A" "B" or "C"	\$ 810,581

**KNOX -KEENE  
SUPPLEMENTAL INFORMATION  
PURSUANT TO SECTIONS 1374.64**

**POINT OF SERVICE TANGIBLE NET EQUITY CALCULATION**

Calculation of Tangible Net Equity and required Tangible Net Equity in accordance with Section 1374.64:

	1	
1. Net Equity	\$	8,550,073
2. Add: Subordinated Debt	\$	
3. Less: Receivables from officers, directors, and affiliates	\$	
4. Intangibles	\$	
5. Tangible Net Equity (TNE)	\$	8,550,073
6. Required Tangible Net Equity (From Line 10 or 13 below)	\$	
7. TNE Excess (Deficiency)	\$	8,550,073
<b>ADJUSTED MINIMUM TANGIBLE NET EQUITY CALCULATION (Complete Section I or II):</b>		
<b>I. Plan is required to have and maintain TNE as required by Rule 1300.76 (a)(1) or (2):</b>		
8. Minimum TNE as calculated under Rule 1300.76 (a)(1) or (2)	\$	
9. 10% of annualized health care expenditures for out-of-network service for point-of-service enrollees	\$	
10. Add lines 8 and 9	\$	0
<b>II. Plan is required to have and maintain TNE as required by Rule 1300.76 (a)(3):</b>		
<b><u>PART A</u></b>		
11. Minimum TNE as recalculated to exclude annualized healthcare expenditures for out-of-network services for point-of-service enrollees (attach worksheet Page 24)	\$	
12. 10% of annualized health care expenditures for out-of-network services for point-of-service enrollees	\$	
13. Add lines 11 and 12	\$	0
<b>III. MINIMUM TNE REQUIREMENT TO DETERMINE MONTHLY REPORTING</b>		
14. Line 5 (above)	\$	8,550,073
15. Multiply Line 6 (above) by 130%	\$	0
16. Difference (Line 14 - Line 15)	\$	8,550,073
<b>If Line 14 is less than Line 15, then monthly reporting is required</b>		

## STATEMENT AS OF 9-30-2003 OF 933-0258 CIGNA Dental Health of California, Inc.

## WORKSHEET FOR ADJUSTED TANGIBLE NET EQUITY CALCULATION

	1 Full Service Plans	2 Specialized Plans
1. Health care expenditures for period	\$ <input type="text"/>	\$ <input type="text"/>
Less:		
2. Capitated or managed hospital payment basis expenditures	<input type="text"/>	<input type="text"/>
3. Health care expenditures for out-of-network services for point-of-service enrollees	<input type="text"/>	<input type="text"/>
4. Result	<input type="text" value="0"/>	<input type="text" value="0"/>
5. Annualized	<input type="text"/>	<input type="text"/>
6. Reduce to maximum of \$150 million	<input type="text"/>	<input type="text"/>
7. Multiply by 8%	\$ <input type="text" value="0"/>	\$ <input type="text" value="0"/>
Plus		
8. Annualized health care expenditures except those paid on a capitated or managed hospital payment basis and excluding health care expenditures for out-of-network services for point-of-service enrollees	\$ <input type="text"/>	\$ <input type="text"/>
9. Less \$150 million	<input type="text"/>	<input type="text"/>
10. Multiply by 4%	\$ <input type="text" value="0"/>	\$ <input type="text" value="0"/>
Plus		
11. Annualized hospital expenditures paid on a managed hospital payment basis and excluding health care expenditures for out-of-network services for point-of-service enrollees	\$ <input type="text"/>	\$ <input type="text"/>
12. Multiply by 4%	\$ <input type="text" value="0"/>	\$ <input type="text" value="0"/>
13. Total	\$ <input type="text" value="0"/>	\$ <input type="text" value="0"/>

## STATEMENT AS OF 9-30-2003 OF 933-0258 CIGNA Dental Health of California, Inc.

OVERFLOW PAGE FOR WRITE-INS		
REPORT #2: REVENUE, EXPENSES AND NET WORTH		Year-To-Date
3198	Summary of remaining write-ins:	
	Unpaid Claims	(3,821) (5,115)
	Telecommunications	67,295 231,048
	Travel and Entertainment	42,074 133,323
3198	TOTALS	105,548 359,256



**STATEMENT AS OF 9-30-2003 OF 933-0258 CIGNA Dental Health of California, Inc.**

**STATEMENT AS OF 9-30-2003 OF 933-0258 CIGNA Dental Health of California, Inc.**

**STATEMENT AS OF 9-30-2003 OF 933-0258 CIGNA Dental Health of California, Inc.**

**STATEMENT AS OF 9-30-2003 OF 933-0258 CIGNA Dental Health of California, Inc.**

**STATEMENT AS OF 9-30-2003 OF 933-0258 CIGNA Dental Health of California, Inc.**

**STATEMENT AS OF 9-30-2003 OF 933-0258 CIGNA Dental Health of California, Inc.**

**STATEMENT AS OF 9-30-2003 OF 933-0258 CIGNA Dental Health of California, Inc.**

**STATEMENT AS OF 9-30-2003 OF 933-0258 CIGNA Dental Health of California, Inc.**